

# THE REPUBLICAN BUDGET: FISCALLY RECKLESS, MORALLY IRRESPONSIBLE, AND A FAILURE OF LEADERSHIP FOR FAMILIES IN NEW MEXICO

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Democrats believe that on every issue our nation faces, it is our responsibility to ensure that the policies we pursue are consistent with the values we cherish and the promises we have made. The Bush Administration's 2006 budget fails in every respect. It is fiscally reckless, adding trillions to the deficit over the next 10 years. It is morally irresponsible, slashing funding and breaking promises on key homeland security, veterans' benefits, health care, and education programs. And the Bush Administration's failure to include details of its Social Security privatization proposal and the cost of the war in Iraq is a clear failure of leadership. Democrats are fighting to restore fiscal responsibility and are committed to upholding the key values that are the foundation of a strong and secure middle class: national security, prosperity, community, fairness, accountability and opportunity for families in New Mexico.

**Prosperity.** Over the past four years, 6,200 manufacturing jobs have been lost in New Mexico, but the Republican budget slashes funding for the Manufacturing Extension Partnership by 60 percent and eliminates the Advanced Technology Program. [BLS, 1/05; Budget of the US Government, 2/05]. It also eliminates \$9,851,000 in funding for job training and employment services, as well as \$9,326,000 in vocational education funding for New Mexico. [FFIS, 2/05] Although Republicans are proposing a new block grant program in these areas, it is unlikely that it will make up for the loss in funding. Under the Republican budget, states will see Federal funding drop by \$82 million, inevitably leading to reductions in services or increases in taxes. [CBPP, 2/05] Democrats would promote *prosperity* by creating new jobs, enacting middle class tax relief, and rewarding companies creating jobs here at home.

**Security – Veterans and Military.** The Republican budget raises health care costs for many of the 190,718 veterans in New Mexico, increasing drug co-payments and imposing new enrollment fees that will cost veterans more than \$2 billion over five years and drive more than 200,000 veterans out of the system entirely. [www.va.gov/vetdata; Budget of the US Government, 2/05] The budget continues the Disabled Veterans Tax, passing a false promise of a plan that undermines a secure retirement for 4,409 veterans in New Mexico. [Committee on Government Reform, 11/03] Democrats would provide *security* by maintaining a strong military, sound diplomatic alliances, and by keeping our promises to those who have served.

**Security – Defending the Homeland.** The Republican budget slashes funding for the COPS program, which has put 780 cops on the street in New Mexico, by 96 percent. [DOJ, 10/19/04; Budget of the US Government, 2/05] It cuts \$12,016,000 from homeland security formula grants in New Mexico, which provide police, firefighters and emergency management teams with the training and equipment they need to keep communities safe. It also cuts \$1,203,000 from the Centers on Disease Control's state and local capacity bioterrorism grants, which fund needed improvements in public health and medical infrastructure statewide. [FFIS, 2/05] Democrats would provide *security* with new resources for our first responders and tighter security at our ports and borders.

**Fairness.** Five million people have lost their health insurance over the past four years, but the Republican budget eliminates the \$83 million Healthy Communities Access Program and includes a proposal to expand high deductible insurance plans that would actually increase the number of people without insurance by 350,000. [CPS, 9/04; CBPP 2/10/04] Democrats would ensure *fairness* by lowering the cost of health care, ensuring equal opportunity for all, and eliminating tax loopholes so everyone pays their fair share.



**Opportunity.** Republicans have underfunded No Child Left Behind by \$39 billion over the past four years nationwide. Under the Republican budget, 26,036 children in New Mexico will go without promised help in reading and math and 15,021 will no longer be able to enroll in the after-school programs that boost academic achievement and keep kids safe. [CRS, 2/05] Pell Grants serve 38,774 students in New Mexico, but the budget fails to provide the promised \$1,000 increase in Pell Grant levels. [Federal Pell Grant End of Year Report, 2003-2004] Democrats will increase **opportunity** through high quality early childhood education, vibrant and accountable public schools, and an affordable college education.

**Community.** The budget cuts \$26,861,000 in funding for housing, employment counseling, transitional assistance, and small business loans and cuts LIHEAP funding by \$403,000 in New Mexico. In addition, the Bush budget slashes funding for the states' Clean Water revolving loan funds, which help improve wastewater treatment facilities, by \$1,768,000 in New Mexico. [FFIS, 2/05] Democrats would support our **communities** by expanding affordable housing, lowering energy costs for seniors, and making polluters pay for the damage they cause.

**Accountability.** The Republicans' reckless disregard for fiscal responsibility has led to a deficit of more than \$400 billion, creating a debt tax of \$2,400 for every family in New Mexico this year alone. [House Budget Committee Democratic Staff, 2/05] During the President's first term, each family in New Mexico saw their share of the national debt increase by \$36,774. [CTJ 9/04] Democrats will demand **accountability** by restoring fiscal responsibility, holding those in power responsible for their actions, and requiring real consequences for CEOs and corporations who break the law.

**A Test of Leadership – Iraq.** There are 4,233 men and women in uniform fighting in Iraq and Afghanistan from New Mexico, but the President's budget fails to include funding for America's military operations overseas. [DOD Legal Residence/ Home of Record for Service Members Deployed as of 11/04] The Republican attempt to hide the cost of this war is a failure of leadership. Democrats are ready to provide everything our men and women in uniform need for a successful mission, but the American people deserve an honest accounting of the cost.

**A Test of Leadership – Social Security.** The Republican plan to privatize Social Security will affect every worker in New Mexico. If their plan were in place today, the guaranteed monthly benefit for the 289,570 people receiving Social Security benefits in New Mexico would drop to \$363 – a cut of almost 50 percent. [AFL-CIO, 2/05; NWLC 2/05] The fact that Republicans have failed to provide a clear and honest accounting of the difficult trade-offs between increases in the debt, benefit cuts, and tax increases necessary to fund the White House's privatization proposal is a clear failure of leadership. Democrats stand ready to address the challenges facing Social Security, but the President must put forward a proposal that is fiscally responsible, fair, and does not slash benefits.

